

Hurricane Katrina Homeowner Assistance Program FAQ

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Grant Purpose

1. What is the purpose of this grant?

To provide financial assistance to those homeowners who resided outside the flood plain as of 8/29/05 and received flood damages to the structure of the residence.

2. How soon can I apply?

We expect to open our Service Centers and start accepting applications on April 17. An online application should be available at that time as well. We will begin making appointments for the Service Centers on April 10. Please call 866-369-6302. A Guidebook will be available on the website March 27. **Please note – Service Centers are not open at this time.**

3. Does the grant cover contents damage?

No. Only damage to the structure of the building.

4. What is considered structure vs. content?

Structure damage refers to real property, which includes things that are permanently attached to the home, like flooring, cabinets, molding, and permanently installed fixtures, equipment, and appliances like ranges and HVAC systems. It does not include furniture, washing machines, and window treatments among other non-permanent items.

5. Should I apply early to get my grant before the \$4 billion is used up?

There is no need to rush to apply. Grant awards will not be made on a first come first serve basis. To avoid long lines and expedite the process, appointments will be required.. All applications will be evaluated before grants are made. We are confident that there will be sufficient funds to satisfy all the eligible applicants' grant applications.

6. I am a homeowner but don't appear to be eligible, and I need help. What can I do?

We are currently evaluating a number of other initiatives to provide housing assistance to individuals impacted by Hurricane Katrina in the State of Mississippi. For instance, Mississippi Home Corporation has programs offering

low-interest, zero percent down loans. Please visit www.mshomecorp.com/hurricane/hurricane_main.htm.

- 7. I'm a renter and lost all my personal belongings. Why won't you help me?**
We are currently evaluating a number of other initiatives to provide assistance to other individuals impacted by Hurricane Katrina.
- 8. Approximately when will the other housing assistance programs for those who lived within the designated flood zone, with insufficient insurance and low-income homeowners be announced?**
We are working as quickly as possible and will provide and announce details when we have determined the programs.

Eligibility

- 9. Who qualifies for this grant?**
Homeowners who meet the following criteria:
1. You owned and occupied your home as of August 29, 2005.
 2. Your home was located in Harrison, Hancock, Jackson or Pearl River County, Mississippi.
 3. Your home was your primary residence on August 29, 2005.
 4. You maintained homeowners insurance on the property.
 5. You lived outside the pre-Katrina designated flood zone (FEMA-designated 100-year flood zone) on August 29, 2005, but your home flooded as a result of Hurricane Katrina.
- This program is not for second homes or rental property
 - The state is working on other programs for people who do not fit these criteria, such as low-income homeowners who did not have insurance
- 10. What types of homes are eligible?**
Single-family homes, town homes, owner-occupied sides of semi-detached houses, and manufactured housing that have been registered as real property are eligible. Condominiums are not eligible under **this** plan.
- 11. My house is located outside of Mississippi. I'm from Louisiana. Am I eligible?**
No. This program only applies to homes in Pearl River, Hancock, Harrison and Jackson Counties in Mississippi.
- 12. I rented my house out, am I eligible?**
No. This program is only for your primary residence.
- 13. May I apply for assistance for my vacation home?**
No. This program is only for your primary residence.

14. I own several houses that were damaged. May I apply for assistance for each house?

No. You may only apply for assistance for the home that was your primary residence.

15. Another party and I both own the damaged residence jointly. May we both apply?

No, only one application is allowed per property. Co-owners of a residence must apply as joint applicants.

16. Even though my home was outside of the flood plain, I had flood insurance. Am I eligible?

Yes. Any proceeds you have received from your flood insurance provider will be factored into the calculation of your grant award.

17. My homeowners insurance expired before August 29, 2005 and I did not renew. Am I eligible?

No. This program is only available to homeowners who maintained homeowners insurance on their property as of August 29, 2005.

18. My house was damaged, but not completely destroyed. Am I eligible?

Yes.

19. My house was located within the flood zone, but was elevated above the Base Flood Elevation (BFE). Am I eligible?

No. Your home must be outside the flood zone to qualify for this program. MDA is currently evaluating other programs for those individuals who did not qualify for this program.. .

20. Where can I go to find out if my house is located outside the 100-year flood plain or inside the Advisory Flood Zone?

Homeowners should visit www.floodsmart.gov to help determine flood zone information. By clicking on the link "What's Your Flood Risk" and entering the requested property information, the website can help locate your residence relative to the 100-year flood zone, show relative flood risk, and review flood zone definitions from the Flood Insurance Rate Map (FIRM). In addition, the site provides links to flood insurance resources including a list of licensed agents in your area for additional questions.

21. How much assistance can I receive?

Homeowners may receive the lesser value up to \$150,000 or the insured value of their home times the percentage of damage the home received minus any insurance or FEMA payments for structure damage.

22. How will the damage assessment of my home be determined?

If the home is totally destroyed, a damage assessment will not be performed. Instead the grant will be calculated using the pre-Katrina insured value of the home or \$150,000 whichever amount is less.

In all other instances, an MDA Damage Assessor will perform an on-site inspection to determine an estimate of the percent damage to the home. This

assessment will include 100% of the damage from the storm. In certain situations MDA may use a FEMA damage assessment or an SBA damage assessment if either exists and forgo the on-site assessment.

23. Will a Wind Policy be considered as a homeowner's policy?

Yes.

24. I am not a US citizen, am I eligible?

Legal residents are eligible. Proof of citizenship or immigration status will be required.

25. Will homeowners be reimbursed for the costs of tools they used themselves to make necessary repairs?

26. No. I have completed repairs to my home, but I never got a building permit and the repairs may not meet existing building codes. Can I still qualify for the grant?

You will need to work with your local officials to get a certificate of occupancy if the work is completed or building permit if work is still underway.

Use of Funds

27. If individuals have made repairs to their home, are they eligible?

Yes, you must meet all the eligibility requirements and submit valid receipts for the work that has been completed. You must also provide a building inspection report or a certificate of occupancy indicating that repairs have been made in accordance with applicable codes and local ordinances. The Mississippi Development Authority's Damage Assessor will conduct an on-site inspection.

28. Do I have to use the grant to pay off an existing SBA disaster loan?

You may not receive duplicate benefits. SBA will do an analysis to determine if the grant and SBA loan compensate a homeowner for the same damage. If SBA determines there is a duplication, the grant proceeds must be used to payoff the SBA loan.

29. Will the grant money be used to pay back the SBA loan or will the amount received from the SBA loan be subtracted from the eligible amount of the grant? The calculation on page six (6) of the Action Plan shows the SBA loan amount deducted from the grant.

If there is a duplication of benefits, the grant money would be used to repay an SBA structural loan. The calculation on page six of the Action Plan will be corrected.

30. What if SBA loan is secured subsequently to a Homeowners' Assistance Grant award?

SBA will do an analysis to determine if the grant and SBA loan compensate a homeowner for the same damage. If SBA determines there is a duplication, the grant proceeds must be used to payoff the SBA loan.

31. What if an insurance settlement is reached subsequent to a Homeowners' Assistance Grant?

The owner will subordinate (agree to assign) unpaid claims to the State, up to the amount of the grant.

32. Will funds be paid to a mortgage company?

If the homeowner has a mortgage, the funds may be co-paid with the mortgage company and deposited in an account for the homeowner's use. The mortgage company may require the homeowner to use the funds to satisfy the arrearage and bring the mortgage current. Per the plan, the remaining funds will be released by the mortgage company as directed by the homeowner for his/her personal recovery plan.

33. Can the grant funds be used to pay off a mortgage?

Uses of the grant proceeds are at the discretion of the homeowner, as they work through their personal disaster recovery situation.

34. Will paying off my mortgage have any affect on the size of the grant?

No. A mortgage is not used to calculate the amount of the grant.

35. What are the restrictions for the use of the funds? Do I have to rebuild or repair?

First, if the homeowner has a mortgage, the mortgage holder may use the grant funds to make past due payments and to bring the mortgage current. After that, management of and use of grant proceeds are at the discretion of the homeowner for any legal purpose as the homeowner works through their recovery situation.

Ownership Issues

36. If someone who otherwise qualifies has sold their damaged home, will they be eligible? Would there be any difference for military families that sold their house due to relocation orders?

If the homeowner who sold can establish that they are still in a loss situation, they are encouraged to apply for grant assistance. They will need to provide historical information on the cost of their home, the amount of all insurance and FEMA proceeds on structure, and the sales price. If MDA can confirm that they are still in a loss situation, they may be eligible for a grant, up to \$150,000, or the amount of loss, whichever is less.

37. Are there any provisions for owners who do not wish to rebuild or repair on the same site?

Yes, they would be eligible. However, certain uses of the money could be taxable. Please consult with a personal tax advisor.

38. My house is in my ex-spouse's name, but I occupy it. Am I eligible?

If the occupant is living there under a marital agreement or divorce decree, the owner of the house may be eligible.

39. My house is in my deceased spouse's name, but I occupy it. Am I eligible?

Yes. You will need to get the name of the deed changed.

40. What provisions are there, if any, for historic properties that had dual use as owner-occupant and tourist attraction; also, bed and breakfast that was also the residence of the owner?

If the owner proves that it was his residence, it will qualify, but grant assistance is limited to the damage of the residential portion of the property.

41. How do I prove that I owned my home? Do I need a copy of my deed or other ownership documents?

You will be asked to provide the name(s) of the owners listed on the deed to your home. If your home is a mobile home, you will be asked to provide the name(s) listed on the title to the mobile home plus the name(s) on the deed to the lot on which the mobile home was located. If you cannot find your deed or mobile home title, this will not prevent you from applying for the grant, but if you have a copy, you should bring it with you, as it will speed the overall verification process. **Everyone whose name is on the ownership deed must come to the Service Center** for your application appointment in order to sign the consent and release forms.

42. How will the grant program affect my bankruptcy?

Bankruptcy issues are legal matters outside our program's scope. You should seek legal advice from an attorney.

Rebuilding and Repair

43. Will do-it-yourself labor be reimbursed for repairs?

No, we are only including out of pocket costs. It is simply too difficult for us to document and objectively quantify these costs.

44. My home needs to be repaired, not rebuilt and is in the new advisory flood zone; do I have to elevate it?

No. Under FEMA guidelines, if your home sustained less than 50 percent damage, you may repair it and do not have to elevate the property.

45. What are the criteria for receiving the \$30,000 grant for home elevation?

We are still developing guidelines for that program, but they are likely to closely follow closely the NFIP's (National Flood Insurance Program) Increased Cost of Compliance (ICC) program.

46. How does one calculate the value of repair work done by volunteers?

Assuming the homeowner did not pay the volunteers, the grant will not compensate a homeowner for work and materials that were donated.

Application Process

47. My home is in a Life Estate. Do all my children have to apply with me?

Anyone whose name is on the deed must apply or seek a waiver due to extreme hardship. Call the Call Center and ask for the special needs coordinator.

48. When will the online application be available?

Our software developers are developing the online application as quickly as possible. As soon as it is completed, tested and running, we will make it

available. It has to be completed no later than April 17 when the Service Centers are scheduled to open. On Monday, March 27th, we will have an application guidebook available online.

49. When can I apply for the grant? When will the Service Centers open?

The online application and the Service Centers should be running by April 17, 2006.

50. How do I apply for the grant?

1. Determine if you are eligible to apply for Homeowner Assistance Program grant. To do so, review the guidelines page of our website.
2. To apply for the grant, schedule an appointment at 1 of the 4 designated Service Centers. To schedule, contact a Call Center representative or visit our website. **Applications will be taken at the Service Centers by appointment only. We will begin taking appointments April 10. The Service Centers are expected to open April 17.**
3. You must bring several pieces of information for your appointment at a Service Center, including but not limited to evidence of insurance, ownership deed, identity, and contact information.
4. Applicants may fill out the online application before arriving at a Service Center. This may shorten your time at the Service Center. To do so, visit our website beginning April 17.
5. The final step is to sign the application at the Service Center attesting to the accuracy of the information in your application and authorizing a privacy release to access certain information for verifying eligibility.

51. Where do I apply? Where are the Service Centers? When will they be open?

There will be three Service Centers on the Coast and one in the Metro Jackson area. **NOTE: The Service Centers are expected to open April 17.**

Gulfport: Prime Outlets, 10000 Factory Shops Blvd., Suite 10-450

Bay St Louis: St Stanislaus College Gymnasium, 304 S. Beach Blvd

Gautier: Singing River Mall, Suite 1024, 2800 U.S. Highway 90

Jackson: To be determined. Please check back.

52. How long will the application take? How long will I be at a Service Center?

You can expect to be at the Service Center for up to two hours. If you have completed an online application, your wait/stay should be significantly shorter.

53. Must I schedule an appointment to come to the Service Centers? How do I make an appointment?

Yes, you **must** have an appointment to be admitted to one of the Service Centers. You may make an appointment by calling the Call Center or visiting the website.

54. Which Service Center do I have to go to?

There are three Service Centers on the Coast and one in the Metro Jackson area. You may choose to make an appointment at the most convenient location.

NOTE: The Centers are expected to open April 17.

Gulfport: Prime Outlets, 10000 Factory Shops Blvd., Suite 10-450

Bay St Louis: St Stanislaus College Gymnasium, 304 S. Beach Blvd

Gautier: Singing River Mall, Suite 1024, 2800 U.S. Highway 90

Jackson: To be determined. Please check back.

55. What are the Service Center and Call Center hours of operations?

Service Centers

| | <u>Coast</u> | <u>Jackson</u> |
|------|--------------|----------------|
| M-F | 10AM to 8 PM | 9 AM to 5 PM |
| Sat. | 10AM to 4PM | Closed |

Call Center

| | <u>Now</u> | <u>Starting April 10</u> |
|------|------------|--------------------------|
| M-F | 8AM to 5PM | 7AM to 7PM |
| Sat. | Closed | to be determined |

56. I am no longer located in Mississippi and unable to get to a center. Can I still apply?

In order to avoid fraud, it is very important that everyone listed on the ownership deed come to a Service Center to make application. We will make alternative arrangements on a case-by-case basis for individuals with extreme hardship. People who feel they have an extreme hardship that makes them unable to apply in person should call 866-369-6302 and ask for the Special Needs Coordinator.

57. I am on active duty with the military and can't return to make application.

We will work with your unit's legal staff to make arrangements so that you can apply. We will do everything we can to make sure that those who are serving their country are accommodated.

58. This is taking too long to get the application online and the Service Centers open. Why are you taking so long?

It is not when the application process starts that is important, it's when everyone gets their grant. By taking time, up front, to make sure we have all the potential problems addressed, we speed up the verification process and everyone gets their grant sooner.

59. Will there be any transportation assistance for those without cars?

Please call 866-369-6302 and ask for the Special Needs Coordinator.

60. People with hearing, sight or mobility disabilities have special needs. Can you accommodate them?

Please call 866-369-6302 and ask for the Special Needs Coordinator.

61. What should I bring with me to the center?

Please review the applications process at the following link

www.mshomehelp.gov/guidelines.htm

62. The application process is too complex. Why can't it be easier?

These grants will be given to help victims recover and rebuild in a manner to mitigate damage from future storms. In order to ensure the effectiveness of the program, we must obtain the information in the application.

63. How will I know if I have been approved?

All applicants will be notified by email and U.S. Mail.

64. When will I receive funds?

We are uncertain how long the verification process will take. We will work as rapidly as possible to get funds to qualified applicants.

65. If I am approved, will a check be mailed to me?

No. You will need to attend a closing to sign closing documents. If you have a first mortgage, the check may be made out jointly to the applicant and the mortgage company. If the homeowner does not have a mortgage, the check may be made payable directly to the homeowner or deposited via EFT to the homeowner's financial institution.

66. Should I wait for my insurance settlement before applying for this program?

No. It is not necessary that you settle with your insurance company before you apply for this program. Any insurance settlement will be assigned to MDA to reduce the award amount once the settlement is received.

67. Will there be any childcare provided?

No. There will be no childcare provided. This lengthy application process requires full attention of the applicant. Please make other arrangements.

Appeals/Complaints

68. I feel I have been treated discriminated against during this process. Who do I contact?

Before the application process begins we will have a dedicated phone number and email address to deal with discrimination complaints. Please visit www.mshomehelp.gov.

69. I was declined for the program but feel that I am eligible. How do I appeal?

The full appeal process is available on the website and in the Application Guidebook. In general, any homeowner may appeal if the amount in dispute is at least \$10,000. If the amount in dispute is less than \$10,000, the decision of MDA shall be final.

Appeals from a decision by MDA must be submitted in writing to MDA c/o Reznick Mississippi LLC at 1625 E. County Line Road #200-111, Jackson, MS 39211-1832 within 30 days of the homeowner's receipt of MDA's decision. The appeal must explain the specific disagreements with MDA's decision(s), and should include all documentation to support the homeowner's position.

70. I was approved for a lower amount than I feel is fair. How do I appeal?

The full appeal process is available on the website and in the Application Guidebook. In general, any homeowner may appeal if the amount in dispute is at

least \$10,000. If the amount in dispute is less than \$10,000, the decision of MDA shall be final.

Appeals from a decision by MDA must be submitted in writing to MDA c/o Reznick Mississippi LLC at 1625 E. County Line Road #200-111, Jackson, MS 39211-1832 within 30 days of the homeowner's receipt of MDA's decision. The appeal must explain the specific disagreements with MDA's decision(s), and should include all documentation to support the homeowner's position.